

Steel Hector & Davis
Tallahassee, Florida

Charles A. Guyton
(904) 222-3423

February 28, 1996

By Hand Delivery

Blanca S. Bayó, Director
Records and Reporting
Florida Public Service Commission
101 East Gaines Street
Tallahassee, Florida 32399

Re: BuildSmart™

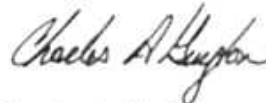
960255-EG

Dear Ms. Bayó:

Enclosed for filing on behalf of Florida Power & Light Company are the original and fifteen (15) copies of the Petition Of Florida Power & Light Company To Further Extend Its BuildSmart™ Pilot Program.

If you or your Staff have any questions regarding this filing, please contact me.

Very truly yours,



Charles A. Guyton

CAG/sh
encs.
TAL/14584

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DOCUMENT NUMBER
02483 FEB 29 1996
FPSC-RECORDS/REPORTING

BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION

In Re: Petition of Florida Power & Light Company to Further Extend Its BuildSmart™ Pilot Program)
)
)

Docket No.

Filed: February 28, 1996

**PETITION OF FLORIDA POWER & LIGHT COMPANY
TO FURTHER EXTEND ITS BUILDSMART™ PILOT PROGRAM**

Florida Power & Light Company ("FPL"), pursuant to Section 366.82(2), Florida Statutes (1995), hereby petitions the Florida Public Service Commission ("Commission") to further extend FPL's BuildSmart™ Pilot Program until final Commission action on FPL's Petition For Approval Of BuildSmart™ Program, Docket No. 951536-EG, and allow FPL to recover reasonable and prudent expenditures for the BuildSmart™ Pilot Program through FPL's Energy Conservation Cost Recovery ("ECCR") Clause. The grounds for this petition are:

1. FPL is an investor-owned electric utility regulated by the Commission pursuant to Chapter 366, Florida Statutes. FPL is subject to the Florida Energy Efficiency and Conservation Act ("FEECA"), Section 366.80-.85, 403.519, Florida Statutes (1995), and its ECCR Clause is subject to the Commission's jurisdiction. FPL is substantially affected thereby.

2. FPL's address is 9250 West Flagler Street, Miami, FL 33174. Correspondence, notices, orders and other documents concerning this Petition should be sent to:

Charles A. Guyton
Steel Hector & Davis
Suite 601
215 S. Monroe Street
Tallahassee, FL 32301

William G. Walker, III
Vice President, Regulatory Affairs
Florida Power & Light Company
9250 West Flagler Street
Miami, FL 33174

DOCUMENT NUMBER-DATE

02483 FEB 28 96

FPSC-RECORDS/REPORTING

activities in Southwest Florida be continued until a system-wide program could be established. At the time FPL sought its BuildSmart™ Pilot Program extension, FPL believed it could petition the Commission and potentially secure approval of a permanent BuildSmart™ Program before the end of 1995. However, the demands of preparing for trial and then settling FPL's DSM Plan docket forced FPL to delay that filing. The Commission granted FPL's initial BuildSmart Pilot Program extension through December 31, 1995 in Order No. 95-0611-FOF-EG.

8. FPL filed on December 7, 1995 a petition seeking Commission approval of a permanent BuildSmart™ Program. That petition was assigned Docket No. 951536-EG. FPL was hopeful when filing its petition that final Commission action would be taken by the end of the first quarter of 1996. Until last week, the petition was scheduled for Commission action in early March, but the schedule now calls for the Staff Recommendation no sooner than April 18, 1996.

9. FPL also filed a petition on December 7, 1995 seeking a further extension of its BuildSmart™ Pilot Program in Southwest Florida until the Commission took final action on FPL's petition in Docket No. 951536-EG. In response to this petition, in Order No. PSC-96-0116-FOF-EG the Commission granted FPL a second extension of its BuildSmart™ pilot program through March 1996.

10. FPL now seeks to recover the costs associated with a third extension of its BuildSmart™ Pilot Program after March 1996 until the Commission takes final action in Docket No. 951536-EG. FPL estimates that the cost of extending its BuildSmart™ activities in Southwest Florida from March 30, 1996 through December 31, 1996 will be approximately \$ 620,000. Previously, the Commission has approved cost recovery of \$5.9 million for the New Home Construction Research Project, \$380,000 for FPL's first extension through December 31, 1995, and

\$194,000 for the second extension for the first quarter of 1996. However, the last authorization was not additive to the prior two authorizations. In the order approving the last extension, the Commission noted that the \$194,000 was not to be added to the \$380,000 but to be part of the \$380,000 previously authorized. To remove any confusion about cost recovery, FPL seeks authority to spend

\$ 6,750,000 for the New Home Construction Research Project and the extension of the BuildSmart™ Pilot Program through December 31, 1996. Through December 31, 1995 FPL had spent \$ 5,936,545 for the New Home Construction Research Project and the first BuildSmart™ Pilot Program extension, so FPL is seeking authority to recover an additional \$ 813,455 for the extension of the BuildSmart™ Pilot Program throughout 1996 (including any amounts previously authorized). Attached as Appendix A is an estimated budget for the BuildSmart™ Pilot Program for the year 1996.

11. FPL believes that its BuildSmart™ Pilot Program in Southwest Florida should continue until a system-wide program can be established. The primary justification for the continued offering of BuildSmart™ in Southwest Florida is program continuity. BuildSmart™ has been well-received where it is offered, and there is significant momentum in those markets. Suspension of the BuildSmart™ efforts until a new program can be rolled-out would forfeit that momentum and adversely affect customer and building contractor acceptance. Therefore, FPL is seeking Commission approval to continue the BuildSmart™ pilot program until FPL can seek and is granted approval of a system-wide BuildSmart™ program.

12. The continued offering of BuildSmart™ will help achieve the goals of FEECA and Commission Rule 25-17.001, Florida Administrative Code. BuildSmart™ has been shown to be

cost-effective to both participating and nonparticipating customers. BuildSmart™ has also been demonstrated to be monitorable and to yield measurable results. Therefore, it satisfies the Commission's criteria for approval and cost recovery.

WHEREFORE, FPL respectfully petitions the Commission (1) to extend the BuildSmart™ Pilot Program in Southwest Florida until the Commission takes final action in Docket No. 951536-EG, FPL's petition for approval of a permanent BuildSmart™ Program for system-wide implementation, and (2) allow FPL to recover through its ECCR clause reasonable and prudent expenditures for the extended BuildSmart™ Pilot Program activities, including up to \$ 6,750,000 for expenditures related to the New Home Construction Research Project and the BuildSmart™ Pilot Program extensions through December 31, 1996.

Respectfully submitted,

STEEL HECTOR & DAVIS
215 S. Monroe St., Suite 601
Tallahassee, FL 32301-1804

Attorneys for Florida Power &
Light Company

By: 
Charles A. Guyton

CERTIFICATE OF SERVICE

I HEREBY CERTIFY that a true and correct copy of the Petition Of Florida Power & Light Company To Extend Its BuildSmart™ Pilot Program was mailed this 28th day of February, 1996 to the following:

Jack Shreve, Esquire
John Roger Howe, Esquire
Office of Public Counsel
111 West Madison Street
Room 812
Tallahassee, Florida 32399-1400



Charles A. Guyton

TAL/14559-1

APPENDIX A
BUILDSMART™ PILOT PROGRAM
1996 ESTIMATED BUDGET

1996	1st. Qtr *	2nd. Qtr *	3rd. Qtr. *	4th. Qtr.*
Field Program Support	\$ 33,000	\$ 41,223	\$ 41,223	\$ 41,223
Staff Program Support	\$ 24,000	\$ 32,223	\$ 32,223	\$ 32,223
Advertising & Promotion	\$ 137,000	\$ 145,222	\$ 145,220	\$ 145,220
BuildSmart Program Cumulative Totals	\$ 194,000	\$ 412,668	\$ 631,334	\$ 850,000

* Projected Estimate